

Message Text

LIMITED OFFICIAL USE

PAGE 01 CARACA 00985 251647Z

43

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 FEA-01 AEC-05 AID-05 CEA-01

CIAE-00 CIEP-01 COME-00 DODE-00 FPC-01 H-01 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 RSC-01 SAM-01

OES-03 SP-02 SS-15 STR-01 TRSE-00 FRB-03 SSO-00

NSCE-00 USIE-00 PA-01 PRS-01 INRE-00 /080 W

----- 040194

O 251615Z JAN 75

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC IMMEDIATE 7424

LIMITED OFFICIAL USE CARACAS 0985

E.O. 11652: N/A

TAGS: ETRD, ENRG, VE

SUBJECT: GOV REPORTEDLY CONSIDERS PETROLEUM STILL UNDER
PREFERENTIAL AGREEMENT

BEGIN LIMITED OFFICIAL USE

1. EL NACIONAL ON JANUARY 25 HAS FRONT PAGE STORY THAT EVEN
WITH NEW IMPORT TAX ON PETROLEUM ANNOUNCED BY PRESIDENT
FORD, VENEZUELA CONSIDERS PREFERENTIAL TREATMENT STILL IS
IN EFFECT FOR ITS PETROLEUM EXPORTS TO THE UNITED STATES IN
ACCORDANCE WITH 1972 EXCHANGE OF DIPLOMATIC NOTES BETWEEN THE
TWO COUNTRIES. ARTICLE IS UNATTRIBUTED, BUT APPEARS TO BE
RELATED TO FURTHER STORIES BY ECONOMIC REPORTER JOSE GERBASI
APPEARING FINANCIAL PAGES NEWSPAPER OF SAME DATE. THIS SOURCE
OFTEN UTILIZED BY GOV TO ANNOUNCE ECONOMIC POLICY IN ADVANCE OF
OFFICIAL PRONOUNCEMENTS. END LIMITED OFFICIAL USE.

BEGIN UNCLASSIFIED

2. EMBASSY UNOFFICIAL TRANSLATION OF ARTICLE WITH EXTRANEIOUS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CARACA 00985 251647Z

WORDS OMITTED FOLLOWS: QUOTE NEW PETROLEUM POLICY OF

UNITED STATES, AS ADOPTED IN A PROCLAMATION OF PRESIDENT FORD, SHOULD NOT AFFECT VENEZUELAN PETROLEUM SINCE WASHINGTON HAS IN FORCE AN EXCHANGE OF DIPLOMATIC NOTES WITH VENEZUELA, DATED JUNE 1973 (SIC., ACTUAL DATE WAS JUNE 26, 1972), WHICH RATIFIED THE DIFFERENT TREATMENT FOR UNITED STATES IMPORTS OF HYDROCARBONS COMING FROM VENEZUELA. THESE NOTES WERE EXCHANGED BETWEEN TWO GOVERNMENTS WITH THE MOTIVE OF EFFECTING THE DENOUNCEMENT OF THE RECIPROCAL COMMERCIAL TREATY DURING THE ADMINISTRATION OF EX-PRESIDENT CALDERA.

3. QTE THE NEW ASPECT OF THE SITUATION WAS REVEALED YESTERDAY IN OFFICIAL SPHERES, INDICATING THE LEGAL DISPOSITION OF THE NOTES THAT THE TWO GOVERNMENTS EXCHANGED IN JUNE 1973 (SIC.) IS STILL IN FORCE. THE NORTH AMERICAN GOVERNMENT HAS NOT MANIFEST, BY ANY MEANS, ITS DESIRE TO MODIFY THE SITUATION THAT WAS MAINTAINED DURING THE LIFE OF THE COMMERCIAL TREATY AND AFTER THE SAID AGREEMENT ENTERED INTO EFFECT. SAME OFFICIAL CIRCLES RECALL THAT RECIPROCAL COMMERCIAL TREATY WITH THE UNITED STATES WAS DENOUNCED, WITH AN OFFICIAL ANNOUNCEMENT BY EX-PRESIDENT CALDERA, IN THE LAST DAYS OF 1972 (SIC. 1971). DENOUNCEMENT ENTERED INTO EFFECT IN JUNE 1973 (SIC. 1972). ON THIS DATE THE GOVERNMENT OF WASHINGTON AND THE VENEZUELAN CHANCERY EXCHANGED NOTES, BY WHICH THE UNITED STATES AGREED THAT, IN SPITE OF DENOUNCEMENT BY VENEZUELA, A TARIFF REDUCTION ON U.S. PETROLEUM IMPORTS WOULD BE MAINTAINED. VENEZUELAN GOVERNMENT AUTHORITIES, ACCORDING TO WHAT WAS OFFICIALLY REVEALED YESTERDAY, CONSIDER THAT SITUATION REMAINS FIRM AND, THEREFORE, IT SHOULD NOT BE CONSIDERED THAT PRESIDENT FORD'S MEASURES OUGHT TO AFFECT VENEZUELAN PETROLEU.

4. QTE ON OTHER HAND, OFFICIAL SOURCES CONSULTED IN MINES AND HYDROCARBONS AND IN THE FOREIGN COMMERCE INSTITUTE, REITERATED THE FIRST OFFICIAL REACTION THAT WAS MADE WHEN THE WHITE HOUSE ANNOUNCED THE PROPOSALS THAT PRESIDENT FORD HAS NOW MADE EFFECTIVE BY PROCLAMATION. VENEZUELA DOES NOT CONSIDER THAT THIS POLICY OF UNITED STATES TO RAISE PETROLEUM IMPORT TARIFFS, TO DE-STIMULATE PETROLEUM CONSUMPTION, WILL BE NEGATIVE. RATHER, IT COINCIDES WITH THE POSITION OF OPEC MEMBER COUNTRIES. IT IS NOT BELIEVED THAT TARIFF MEASURE IS GOING TO HAVE SUBSTANTIAL REPERCUSSIONS. END QUOTE.
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CARACA 00985 251647Z

END UNCLASSIFIED.
MCCLINTOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, PRESS COMMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CARACA00985
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750029-0068
From: CARACAS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750120/aaaaarvm.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 12 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 SEP 2003 by izenbei0>; APPROVED <08 OCT 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOV REPORTEDLY CONSIDERS PETROLEUM STILL UNDER PREFERENTIAL AGREEMENT
TAGS: ETRD, ENRG, VE, US, LA NACION, (GERBASI, JOSE)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006